



WOTC LEGISLATIVE UPDATE

DOL Provides Clarification for WOTC Certification

Disconnected Youth and Unemployed Veterans

October 20, 2009

The U.S. Department of Labor has provided clarification to the State Workforce Agencies (SWAs) about the WOTC certification process for the two new targeted groups, Disconnected Youth and Unemployed Veteran, as well as the acceptance of the new Form 8850 dated August 2009 and a uniform self attestation form.

After October 17, 2009, SWAs are no longer accepting previous versions of Form 8850 for Disconnected Youth and Unemployed Veteran eligible new hires. Previous versions of Form 8850 will continue to be accepted for all other targeted groups.

To ensure you maximize your tax credits, First Advantage is working with all clients to incorporate the August 2009 Form 8850 and the self attestation form into their hiring processes. First Advantage is also partnering with our automated vendors to transition to the new forms.

The August 2009 Form 8850 is available at http://www.fadv.com/TaxConsulting/tax_forms.htm or from the IRS Web site at <http://www.irs.gov/pub/irs-pdf/f8850.pdf>. You can also contact your First Advantage account manager and request the new form.

Effective Monday, October 19, 2009, First Advantage implemented new follow up processes to ensure the proper Form 8850 is obtained for eligible Disconnected Youth and Unemployed Veteran new hires. This enhanced follow up procedure will optimize tax credit capture per the new guidance.

If you have questions or would like more information, please contact your First Advantage account manager or e-mail tax@fadv.com.

About First Advantage Tax Consulting Services

First Advantage Tax Consulting Services develops and implements strategies to reduce your tax liabilities, including the Work Opportunity Tax Credit and other employment-related incentives, location-based credits and grants, training grants, and economic incentive services.

This information is intended to provide a brief synopsis of recent developments in federal and state tax credits and incentives and is intended to be informational only. Because the matters described above are complicated in nature, the reader should seek appropriate legal or other professional outside counsel for a more complete explanation prior to acting on the information contained in this document. Any advice contained in this document is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under applicable federal, state or local tax law.